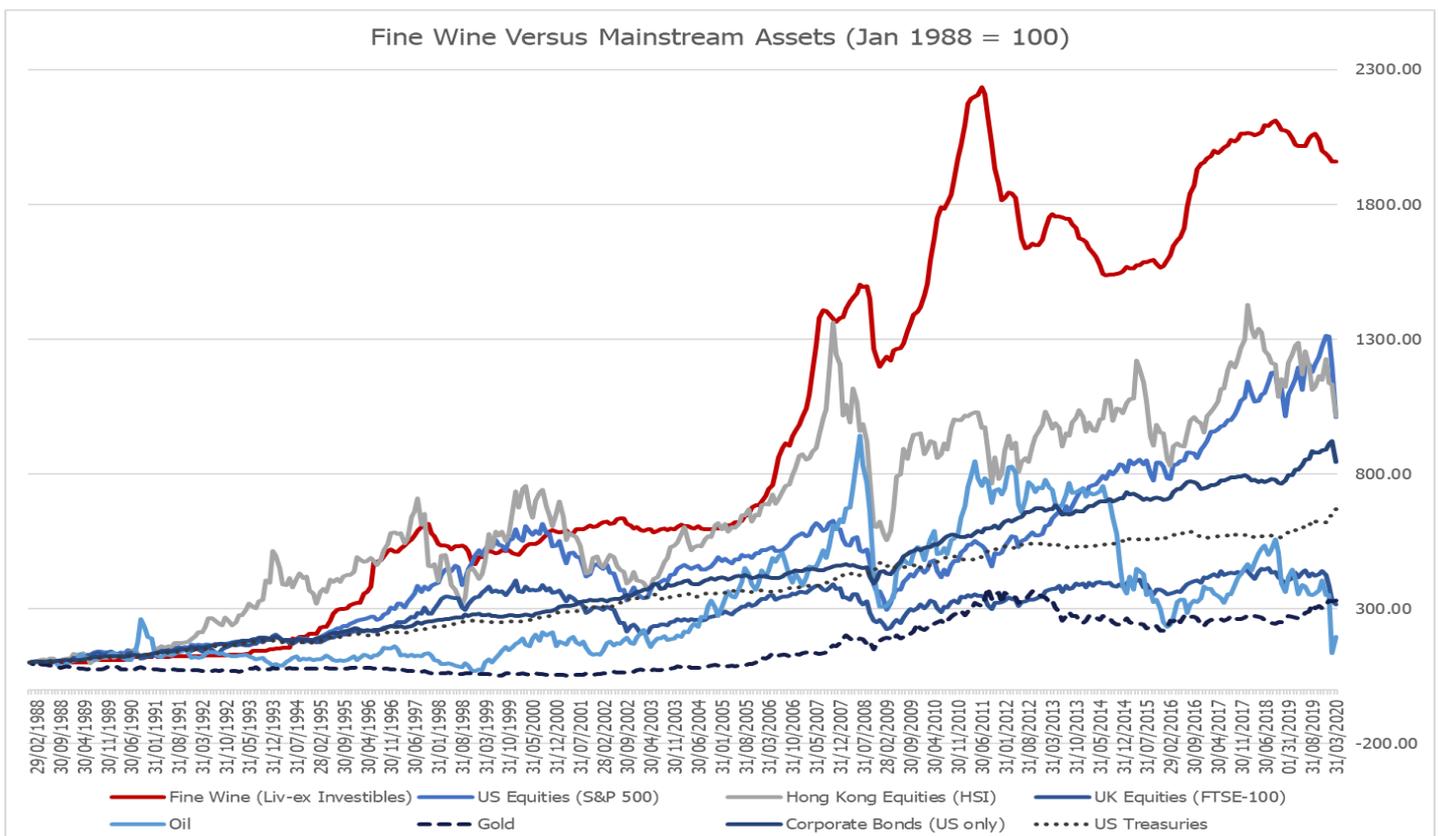




Fine Wine “Crushes” Traditional Assets since 1988

- **Fine Wine** has **outperformed all major asset classes** between 1988 and Q1 2020.
- **Fine Wine** has shown **little or no correlation** with mainstream assets over this period.
- Fine Wine has **protected wealth** far better than most mainstream asset classes in the last two **global financial crises** (2007-09 and 2020).
- Our trading desks are seeing **buoyant demand for Fine Wine** from new and existing collectors. This is **supporting prices** and **liquidity**. Asian buyers are taking advantage of the weakness of GBP to buy up UK held inventory.
- We **urge all Singapore clients** to increase the **size of their Fine Wine portfolio** today.
- This note explains why you should, and how to do it.

The **second global financial crash** in a little over a decade has **destroyed** most major asset classes (**equities, commodities, corporate debt, crypto assets** etc.). But as in 2007-09, **Fine Wine** has retained most of its gains. It has now **outperformed all major assets** between 1988 and today.



Source: Liv-ex.com and Bloomberg

Fine Wine: Not Correlated with Mainstream Assets

Fine Wine has a very low correlation with mainstream assets. This is what makes Fine Wine so valuable as a **portfolio diversification** tool:

Very Low Correlation of Fine Wine with Mainstream Assets 1988-2020

Correlation Matrix								
	Fine Wine	US Equities	Asia Equities	UK Equities	Oil	Gold	Corporate Bonds	Government Bonds
Fine Wine	100.0%	6.9%	4.4%	4.4%	8.5%	1.3%	6.5%	-0.5%
US Equities	6.9%	100.0%	60.1%	73.8%	5.4%	-6.0%	32.5%	-9.2%
Asia Equities	4.4%	60.1%	100.0%	56.9%	8.4%	12.2%	24.7%	-6.3%
UK Equities	4.4%	73.8%	56.9%	100.0%	11.2%	-3.5%	26.3%	-7.4%
Oil	8.5%	5.4%	8.4%	11.2%	100.0%	19.2%	-6.0%	-15.7%
Gold	1.3%	-6.0%	12.2%	-3.5%	19.2%	100.0%	19.2%	14.8%
Corporate Bonds	6.5%	32.5%	24.7%	26.3%	-6.0%	19.2%	100.0%	66.3%
Government Bonds	-0.5%	-9.2%	-6.3%	-7.4%	-15.7%	14.8%	66.3%	100.0%

Source: Lix-ex.com and Bloomberg (1988 to Q1 2020)

Fine Wine: Excellent Total Returns

Even factoring in dividend re-investment, Fine Wine has still **outperformed all major assets on a total return basis since 1988**.

Only bonds have a Sharpe Ratio¹ comparable with Fine Wine. But bonds have returned far less overall, and they do not hedge against inflation (which many analysts could follow this period of unprecedented money creation).

Price Performance of Fine Wine vs. Mainstream Assets

	Fine Wine (Liv-ex Investibles)	US Equities (S&P 500)	Hong Kong Equities (HIS)	UK Equities (FTSE-100)	Oil	Gold	Corporate Bonds (US Only)	US Treasuries
Price Return	10.28%	7.76%	8.11%	4.51%	4.24%	3.19%	6.84%	5.84%
Total Return	10.28%	10.16%	11.16%	6.63%	4.24%	3.19%	6.84%	5.84%
Risk Free Rate	2.458%	2.458%	2.458%	2.458%	2.458%	2.458%	2.458%	2.458%
Volatility (Annual)	2.98%	4.15%	7.01%	4.10%	9.90%	4.36%	1.55%	1.28%
Sharpe Ratio	2.63	1.85	1.24	1.02	0.18	0.17	2.82	2.64

Source: Lix-ex.com and Bloomberg (total returns 1988-end 2018) – does not include storage costs for commodities

Now is a Great Time to Start a Fine Wine Investment Portfolio

We urge all clients to consider a **higher weighting in Fine Wine**. Fine Wine clearly **protects wealth** during the ever more frequent financial squalls sweeping paper and digital assets. And if **inflation** takes off Fine Wine - as a strictly fixed supply asset - should provide a **great hedge** against that too.

If you have at least **SG\$20,000** to invest, our investment team will be delighted to send you a **personalised recommended portfolio** to get you started.

The Cru platform is **simple, free and fun** to use. Many thousands of our **Singapore clients** already run Fine Wine portfolios on our platform. If you would like help or advice getting started just contact your account manager or email: investment@cruworldwine.com.

¹ Sharpe Ratio measure returns versus volatility. The higher the return and the lower the volatility the better. The higher the Sharpe Ratio the better.

The Cru Portfolio Management Platform

Cru provides a suite of **free tools** to buy and sell wine/spirits and manage your portfolio:

Portfolio Overview:

☰ Summary
👤 Account
Summary
Analysis
Live Bids
Purchases
Sell Wines
Sold Wines
Performance
Activity Report
Monthly Snapshots
Graphics

Wine Portfolio —

Market Value Of Wines	Account Credit Balance	Outstanding Invoices	Outstanding Storage	Net Portfolio Value	Cost Of Wine In Portfolio	Gain / Loss On Portfolio Wines	Gain / Loss %	Total Items	Items In Stock	Items Due In
SG\$21,752.95	SG\$909.57	SG\$0.00	SG\$23.24	SG\$22,662.52	SG\$14,999.66	SG\$6,753.29	45.02%	54	53	1

PERFORMANCE	
Period	Portfolio Value
Day	0.0%
Month To Date	-0.3%
6 Months To Date	2.5%
Year To Date	13.0%
Since Inception	40.1%

PORTFOLIO MANAGEMENT	
Portfolio Start Date	1st Apr 2019
Management Fee	0%

Best Performers	
Two Hands Deer in Headlights Shiraz 2006 (12x75cl)	299.4%
The Colonial Estate Emigre 2005 (6x75cl)	184.1%
Clarendon Hills Onkaparinga Grenache 2006 (6x75cl)	150.4%
Domaine Alary Cotes du Rhone Cairanne Le Jean de Verde 2016 (6x75cl)	142.5%
Hobbs Gregor Shiraz 2004 (6x75cl)	141.6%
Torbreck The Factor 2004 (6x75cl)	140.5%
Santa Duc Chateauneuf-du-Pape Le Pied de Baud 2016 (6x75cl)	94.9%
Gibson Barossa Shiraz 2004 (6x75cl)	83.8%
Clarendon Hills Piggott Range Syrah 2006 (6x75cl)	72.1%
Dom Perignon 2008 (6x75cl)	61.3%

Portfolio Analysis:

☰ Analysis
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Summary
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Sell Wines
Sold Wines
Performance
Activity Report
Monthly Snapshots
Graphics

SEARCH BY WINE NAME

1-20 of 23

Show: 20

Product Name	Country	Region	Drinking Range	Investment Rating	Price Momentum	Price Per Point	Market Price	Cost Price	Qty	Last Sale Price	% Return	
Two Hands Deer in Headlights Shiraz 2006 (12x75cl)	Australia	South Australia	N/A	B	n/a	n/a	SG\$794.36	SG\$216.00	1	SG\$366.63	266.9%	+
Torbreck The Factor 2004 (6x75cl)	Australia	South Australia	2011 - 2026 Perfect Now, will keep	AA	n/a	SG\$1.02	SG\$846.74	SG\$389.00	1	SG\$549.94	117.5%	+
Hobbs Gregor Shiraz 2004 (6x75cl)	Australia	South Australia	2007 - 2021 Perfect Now, will keep	AA	n/a	SG\$1.35	SG\$794.36	SG\$358.00	1	-	122%	+
Torbreck RunRig 2003 (1x150cl)	Australia	South Australia	2012 - 2031 Drinking Now, will improve	AAA	n/a	SG\$2.43	SG\$470.21	SG\$313.00	1	-	50.5%	+
Torbreck The Factor 2001 (6x75cl)	Australia	South Australia	2010 - 2015 Drink Up	AA	n/a	SG\$1.56	SG\$890.38	SG\$637.00	1	-	39.7%	+

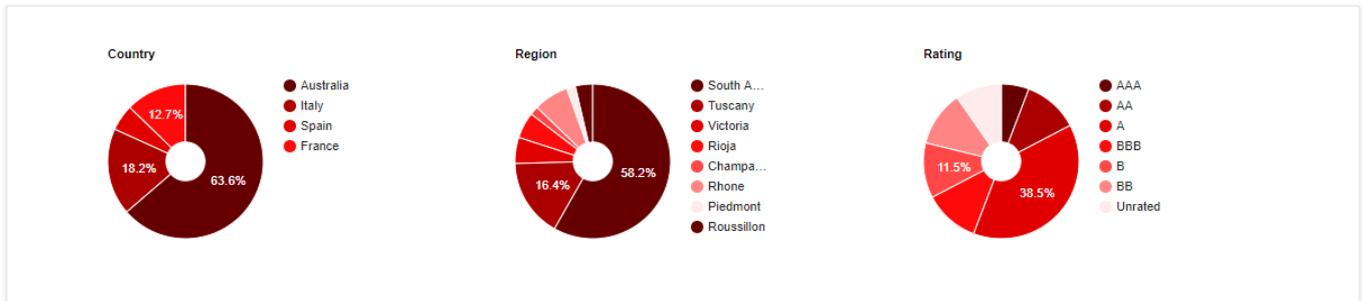
Buy and Sell Wines on the Screen:

How to Sell Wines on Cru

23 Item(s) Show:

Product Name	Country	Region	Qty	Market Price	Cost Price	For Sale	Sale Price	You Receive (Less Commission)
+ Two Hands Deer in Headlights Shiraz 2006 (12x75cl)	Australia	South Australia	1	SG\$794.36	SG\$216.00	<input checked="" type="checkbox"/>	SG\$ 589.96	SG\$560.46 <input type="button" value="SAVE"/>
+ Fontodi Fiaccianello della Pieve 2012 (6x75cl)	Italy	Tuscany	4	SG\$523.75	SG\$482.00	<input checked="" type="checkbox"/>	SG\$ 599.6	SG\$569.62 <input type="button" value="SAVE"/>
+ Torbreck The Factor 2004 (6x75cl)	Australia	South Australia	1	SG\$846.74	SG\$389.00	<input checked="" type="checkbox"/>	SG\$ 627.59	SG\$621.32 <input type="button" value="SAVE"/>
+ Wild Duck Creek Springflat Shiraz 2004 (12x75cl)	Australia	Victoria	3	SG\$436.46	SG\$308.00	<input checked="" type="checkbox"/>	SG\$ 414.64	SG\$410.49 <input type="button" value="SAVE"/>
+ Marques de Murrieta Rioja Tinto Reserva 2014 (6x75cl)	Spain	Rioja	3	SG\$143.16	SG\$159.00	<input checked="" type="checkbox"/>	SG\$ 290.83	SG\$287.92 <input type="button" value="SAVE"/>
+ Antinori Guado Al Tasso Il Bruciato 2015 (6x75cl)	Italy	Tuscany	3	SG\$165.86	SG\$133.00	<input checked="" type="checkbox"/>	SG\$ 265.9	SG\$263.24 <input type="button" value="SAVE"/>
+ Chapoutier Bila-Haut Cotes-du-Roussillon Villages V.I.T 2015 (6x75cl)	France	Roussillon	2	SG\$377.10	SG\$283.00	<input checked="" type="checkbox"/>	SG\$ 349.46	SG\$331.99 <input type="button" value="SAVE"/>

View Portfolio Composition:



Bid Your Own Price for over 6 Million Wines and Spirits:

Bid for Wine

NV

1 Item(s) Show:

Wine Name	Qty	Bid Price	Lowest Offer	Market Price	Created At	Expires In	Status
Tignanello 2016 (6x75cl)	1	SG\$567.40	SG\$735.00	SG\$741.99	02/04/2020 16:46	26 days	Live <input type="button" value="Edit Bid - Suspend Bid"/>

Your Questions Answered

Are there lots of Nasty Fees and Hidden Charges?

No. Investing via the Cru platform means **no up-front fees, no management fees, no trading fees and no platform charges**. You pay a small monthly storage charge (which we pay to the warehouse on your behalf) and you pay 5% commission on selling your wine. That is it. And if you buy and sell enough even the **storage is free!**

How Liquid is Fine Wine?

Fine wine is a longer term asset, like property or private equity. Trading volumes are increasing year on year, and many of our clients are already able to 'day trade' quite successfully, buying and selling wines on our platform on a daily basis.

Is Fine Wine a Secure Investment?

Yes. Buying through the Cru platform your wine is stored in a **Government regulated third-party storage facility** (in your name) in Bordeaux, London, Hong Kong or Singapore. We would advise that all wines held for long-term purposes are housed in the cheapest storage facilities with the best liquidity on re-sale. These are our facilities in London and Bordeaux. It doesn't matter where your wine is stored in terms of portfolio analysis; you will be able to see everything on your private Dashboard.

Is Buying and Selling Fine Wine Complicated?

Not with Cru. The Cru platform provides **full visibility of your assets** in real time: current values, performance, when to drink and lots of other data. You can manage everything from your desktop or phone. With Cru, you also get a dedicated (human) account manager who will assist you on all aspects of setting up your portfolio (should you require it). But if you want to do your own thing, you will not be bombarded with anyone trying to sell you things. We are quite happy to leave you totally alone to get on with it if that is what you would prefer.

How do I know what to Buy?

Cru provides a lot of research on what to buy and sell. All of this is free of charge. Just make sure you sign up for Investment Research. We will also send you a **recommended portfolio tailored to your requirements** on request.

How do I know I am getting the best Price?

Cru provides data on the market prices of most of our wines. In addition, we encourage our clients to use our platform to choose their own price and **bid for wines**. At times of market dislocation, bidding on a lot of wines simultaneously can be a great way to pick up bargains.

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